



SENATE REPUBLICAN

POLICY COMMITTEE

## Conference Report Highlights

November 7, 2007

### **Highlights of the Conference Report to Accompany H.R. 3043 – Departments of Labor, Health and Human Services, and Education, and Related Agencies and Military Construction/VA Appropriations Bill, 2008**

*On November 5, the Appropriations Committee filed Conference Report H. 110-424.*

#### **Noteworthy**

- Per a unanimous consent agreement, the Senate will begin consideration of the Conference Report this afternoon followed by a vote to waive Rule 28 of the Standing Rules of the Senate, which requires 60 votes to waive. If the point of order stands, the Military Construction and Veterans Affairs provisions will fall from the bill.
- The Conference Report combines the Labor-HHS Appropriations Conference Report (Division A) with the Military Construction and Veterans Affairs (MilCon/VA) Conference Report (Division B). The MilCon/VA-related provisions appear to represent new matter, thus violating Rule 28.
- Division A provides \$608.94 billion in total budgetary resources. Of this funding, \$150.70 billion is discretionary funding, which is \$6.17 billion above the FY07 level and \$9.78 billion above the Administration's request. Division A includes \$2.0 billion more in advance appropriations than was provided in FY07 or requested by the Administration.
- Division B provides \$109.23 billion in total budgetary resources. Of this funding, \$64.7 billion is discretionary funding, which is \$15 billion above the FY07 level and \$4 billion above the Administration's request. The President has repeatedly asked the Congress to provide him with a clean MilCon/VA bill for his signature.
- On November 6, the House approved the Conference Report by a vote of 269-142.
- The White House Statement of Administration Policy (SAP) concerning the Conference Report included a veto threat for an excessive level of spending and other objectionable provisions.

## **Bill Provisions**

*Note: This section describes the Conference Report, and also includes a description of language, for comparison, from the bill as reported to the Senate (bracketed).*

### **Division A - Departments of Labor, Health and Human Services, and Education, and Related Agencies**

#### **Title I – Department of Labor**

**Employment and Training Administration:** The Conference Report provides \$9.03 billion.

**[Senate-reported Bill:** Provides \$8.97 billion for the Employment and Training Administration, which is \$765.9 million above the Administration’s request and \$86.0 million above the FY07 enacted level.]

- **Training and Employment Services:** The Conference Report provides \$3.62 billion.

**[Senate-reported Bill:** Provides \$3.59 billion for Training and Employment Services, which is \$615.1 million above the Administration’s request and \$30.9 million above the FY07 enacted level.]

- **Federal Unemployment Benefits and Allowances:** The Conference Report provides \$888.7 million.

**[Senate-reported Bill:** Provides \$888.7 million for Federal Unemployment Benefits and Allowances, which is equal to the Administration’s request, but \$51.1 million above the FY07 enacted level.]

- **State Unemployment Insurance and Employment Service Operations:** The Conference Report provides \$3.38 billion.

**[Senate-reported Bill:** Provides \$3.39 billion for State Unemployment Insurance and Employment Service Operations, which is \$47.9 million above the Administration’s request and \$46.3 million above the FY07 enacted level.]

**Employee Benefits Security Administration (EBSA):** The Conference Report provides \$143.0 million.

**[Senate-reported Bill:** Provides \$143.3 million for the EBSA, which is \$4.2 million below the Administration’s request, but \$1.7 million above the FY07 enacted level.]

**Pension Benefit Guaranty Corporation (PBGC):** The Conference Report provides \$411.2 million.

**[Senate-reported Bill:** Provides \$411.2 million for the PBGC, which is equal to the Administration's request, but \$5.8 million above the FY07 enacted level.]

**Employment Standards Administration (ESA):** The Conference Report provides \$2.08 billion.

**[Senate-reported Bill:** Provides \$2.08 billion for the ESA, which is \$9.2 million below the Administration's request and \$32.6 million below the FY07 enacted level.]

- **Office of Labor-Management Standards:** The Conference Report provides \$45.7 million.

**[Senate-reported Bill:** Provides \$45.7 million for the Office of Labor-Management Standards, which is \$11.1 million below the Administration's request and \$2.0 million below the FY07 enacted level.]

**Occupational Safety and Health Administration (OSHA):** The Conference Report provides \$500.6 million.

- The Conference Report includes language to direct OSHA to provide a series of reports on the status of OSHA standards on beryllium, silica, cranes and derricks, confined spaces in construction and hazardous communications.

**[Senate-reported Bill:** Provides \$498.4 million for OSHA, which is \$8.2 million above the Administration's request and \$11.5 million above the FY07 enacted level.]

**Mine Safety And Health Administration (MSHA):** The Conference Report provides \$339.9 million.

**[Senate-reported Bill:** Provides \$330.0 million for MSHA, which is \$16.6 million above the Administration's request and \$28.5 million above the FY07 enacted level.]

**Bureau of Labor Statistics (BLS):** The Conference Report provides \$566.8 million.

**[Senate-reported Bill:** Provides \$560.0 million for the BLS, which is \$14.4 million below the Administration's request, but \$11.9 million above the FY07 enacted level.]

**International Labor Affairs:** The Conference Report provides \$82.5 million.

**[Senate-reported Bill:** Provides \$82.5 million for International Labor Affairs, which is \$68.4 million above the Administration's request and \$10.0 million above the FY07 enacted level.]

**Job Corps:** The Conference Report provides \$1.65 billion.

**[Senate-reported Bill:** Provides \$1.66 billion for the Job Corps, which is \$137.5 million above the Administration's request and \$81.6 million above the FY07 enacted level.]

**Veterans Employment and Training:** The Conference Report provides \$228.2 million.

**[Senate-reported Bill:** Provides \$228.2 million for Veterans Employment and Training, which is \$102,000 above the Administration's request and \$5.0 million above the FY07 enacted level.]

**General Provisions:** Title I includes proposals that have been incorporated into previous appropriations bills, provisions requested by the Department of Labor, and new provisions, some of which are opposed by the Administration. Notable sections include:

- Section 111, which directs OSHA to finalize a rule by November 30, 2007 concerning employer payment for personal protective equipment. The final rule shall provide no less protection to employees and shall have no further exceptions from employer payment requirements than the rule proposed by the Clinton Administration in 1999;
- Section 112, which prohibits OMB Circular A-76 competitions until 60 days after the House and Senate Appropriations Committees receive a Government Accountability Office report; and
- Section 113, which mandates a revision to the MSHA belt air standard by June 20, 2008 and mandates regulations requiring the installation of rescue chambers by June 20, 2008.

## **Title II – Department of Health and Human Services**

**Health Resources and Services Administration (HRSA):** The Conference Report provides \$7.26 billion.

**[Senate-reported Bill:** Provides nearly \$6.91 billion for the HRSA, which is \$1.05 billion above the Administration's request and \$454.2 million above the FY07 enacted level.]

- **Ryan White AIDS Program:** The Conference Report provides \$2.22 billion.

**[Senate-reported Bill:** Provides \$2.15 billion for the Ryan White AIDS Program, which is \$13.0 million above the Administration's request and \$33.1 million above the FY07 enacted level.]

- **National Cord Blood Inventory:** The Conference Report provides \$12.0 million.

**[Senate-reported Bill:** Provides \$12.0 million for the National Cord Blood Stem Cell Bank, which is \$10.0 million above the Administration's request and \$8.0 million above the FY07 enacted level.]

- **Health Care-related Facilities and Activities:** The Conference Report provides \$317.9 million.

**[Senate-reported Bill:** Provides \$191.2 million for Health Care-related Facilities and Activities. The Administration did not request such funding and the FY07 enacted bill also did not include such funding.]

**Centers for Disease Control (CDC):** The Conference Report provides \$6.29 billion.

**[Senate-reported Bill:** Provides \$6.16 billion for the CDC, which is \$440.5 million above the Administration's request and \$219.6 million above the FY07 enacted level.]

**National Institutes of Health (NIH):** The Conference Report provides \$30.00 billion.

**[Senate-reported Bill:** Provides \$28.90 billion for the NIH, which is \$1.28 billion above the Administration's request and \$1.00 billion above the FY07 enacted level.]

**Substance Abuse and Mental Health Services Administration (SAMHSA):** The Conference Report provides \$3.29 billion.

**[Senate-reported Bill:** Provides \$3.28 billion for the SAMHSA, which is \$231.7 million above the Administration's request and \$72.0 million above the FY07 enacted level.]

**Centers for Medicare and Medicaid Services Grants to States:** The Conference Report provides \$401.41 billion.

**[Senate-reported Bill:** Provides \$401.38 billion for the Centers for Medicare and Medicaid Services Grants to States, which is \$374.0 million above the Administration's request and \$51.21 billion above the FY07 enacted level.]

- **Grants to States for Medicaid:** The Conference Report provides \$141.63 billion.

**[Senate-reported Bill:** Provides \$141.63 billion for Grants to States for Medicaid, which is equal to the Administration's request and \$36.16 billion below the FY07 enacted level.]

- **Health Care Fraud and Abuse Control:** The Conference Report provides \$383.0 million.

**[Senate-reported Bill:** Provides \$383.0 million for Health Care Fraud and Abuse Control, which is \$200.0 million above the Administration's request and \$383.0 million above the FY07 enacted level.]

**Administration for Children and Families:** The Conference Report provides \$27.32 billion.

**[Senate-reported Bill:** Provides \$27.03 billion in discretionary budget authority for Children and Families Services Programs, which is \$1.35 billion above the Administration's request and \$148.2 million above the FY07 enacted level.]

- **Low Income Home Energy Assistance Program (LIHEAP):** The Conference Report provides \$2.41 billion.

**[Senate-reported Bill:** Provides \$2.16 billion for LIHEAP, which is \$379.2 million above the Administration's request and equal to the FY07 enacted level.]

- **Head Start:** The Conference Report provides \$7.04 billion.

**[Senate-reported Bill:** Provides \$7.09 billion for Head Start, which is \$300.0 million above the Administration's request and \$200.0 million above the FY07 enacted level.]

- **Abstinence Education:** The Conference Report provides \$141.1 million.

**[Senate-reported Bill:** Provides \$84.9 million for Abstinence Education, which is \$56.2 million below the Administration's request and \$28.5 million below the FY07 enacted level.]

- **Payments to States for Foster Care and Adoption:** The Conference Report provides \$6.88 billion.

**[Senate-reported Bill:** Provides \$6.88 billion for Payments to States for Foster Care and Adoption, which is equal to the Administration's request, but \$235.0 million above the FY07 enacted level.]

**Administration on Aging:** The Conference Report provides \$1.45 billion.

**[Senate-reported Bill:** Provides \$1.44 billion for the Administration on Aging, which is \$106.4 million above the Administration's request and \$58.6 million above the FY07 enacted level.]

**Office of the National Coordinator for Health Information Technology (ONC):** The Conference Report provides \$66.2 million.

**[Senate-reported Bill:** Provides \$71.0 million for ONC, which is \$46.9 million below the Administration's request, but \$9.7 million above the FY07 level.]

### **Title III – Department of Education**

**Education for the Disadvantaged Account:** The Conference Report provides \$15.93 billion.

**[Senate-reported Bill:** Provides \$15.87 billion for Education for the Disadvantaged, which is \$821.3 million below the Administration's request, but \$1.14 billion above the FY07 enacted level.]

- **Targeted Grants Program:** The Conference Report provides \$3.07 billion.

**[Senate-reported Bill:** Provides \$2.87 billion for the Targeted Grants Program, which is \$598.4 million below the Administration's request, but \$535.9 million above the FY07 enacted level.]

- **Reading First:** The Conference Report provides \$400.0 million.

**[Senate-reported Bill:** Provides \$800.0 million for Reading First State Grants, which is \$218.7 million below the Administration's request and \$229.2 million below the FY07 enacted level.]

- **Math Now:** The Conference Report does not provide funding.

**[Senate-reported Bill:** Does not provide funding for Math Now programs. The Administration requested \$250.0 million for Math Now programs for elementary and middle school students. This program was authorized in the COMPETES bill (P.L. 110-69).]

**School Improvement Programs:** The Conference Report provides \$5.41 billion.

**[Senate-reported Bill:** Provides \$5.20 billion for School Improvement Programs, which is \$500.2 million above the Administration's request, but \$57.0 million below the FY07 enacted level.]

**Innovation and Improvement:** The Conference Report provides \$1.01 billion.

**[Senate-reported Bill:** Provides \$962.9 million for Innovation and Improvement, which is \$40.9 million above the Administration's request and \$125.2 million above the FY07 enacted level.]

- **Teacher Incentive Fund:** The Conference Report provides \$99.0 million.

**[Senate-reported Bill:** Provides \$99.0 million for the Teacher Incentive Fund, which is \$100.0 million below the Administration's request, but \$98.8 million above the FY07 enacted level.]

- **Advanced Placement:** The Conference Report provides \$46.0 million.

**[Senate-reported Bill:** Provides \$42.0 million for Advanced Placement programs, which is \$80.2 million below the President's request, but \$5.0 million above the FY07 enacted level.]

**Safe Schools and Citizenship Education:** The Conference Report provides \$708.8 million.

**[Senate-reported Bill:** Provides \$697.1 million for Safe Schools and Citizenship Education, which is \$372.9 million above the Administration's request, but \$32.4 million below the FY07 enacted level.]

**Special Education:** The Conference Report provides \$12.36 billion.

**[Senate-reported Bill:** Provides \$12.33 billion for Special Education, which is \$845.2 million above the Administration's request and \$527.5 million above the FY07 enacted level.]

**Rehabilitation Services:** The Conference Report provides \$3.29 billion.

**[Senate-reported Bill:** Provides \$3.29 billion for Rehabilitation Services, which is \$65.8 million above the Administration's request and \$44.4 million above the FY07 enacted level.]

**Career, Technical, and Adult Education:** The Conference Report provides \$2.01 billion.

**[Senate-reported Bill:** Provides \$1.89 billion for Career, Technical, and Adult Education, which is \$705.0 million above the Administration's request, but \$97.4 million below the FY07 enacted level.]

**Student Financial Assistance:** The Conference Report provides \$16.38 billion.

**[Senate-reported Bill:** Provides \$16.37 billion for Student Financial Assistance, which is \$1.97 billion above the Administration's request and \$826.4 million above the FY07 enacted level.]

- **Federal Pell Grant Program:** The Conference Report provides \$14.50 billion. The maximum Pell Grant award is \$4,435.

**[Senate-reported Bill:** Provides \$14.49 billion for the Federal Pell Grant Program, which is \$1.07 billion above the Administration's request and \$826.3 million above the FY07 enacted level. This funding level will maintain a maximum Pell Grant award level of \$4,310.<sup>1</sup>]

**Higher Education:** The Conference Report provides \$2.10 billion.

**[Senate-reported Bill:** Provides \$2.03 billion for Higher Education, which is \$183.2 million above the Administration's request and \$77.2 million above the FY07 enacted level.]

- **Federal TRIO Programs:** The Conference Report provides \$858.2 million.

**[Senate-reported Bill:** Provides \$858.2 million for Federal TRIO Programs, which is \$30.0 million above the Administration's request and \$30.0 million above the FY07 enacted level.]

**Howard University:** The Conference Report provides \$237.4 million.

**[Senate-reported Bill:** Provides \$237.4 million for Howard University, which is \$3.5 million above the Administration's request and \$1,000 above the FY07 enacted level.]

---

<sup>1</sup> The Higher Education Access Act of 2007 (P.L. 110-84) authorized the maximum level to \$4,800 for academic years 2008-2009. Historically, the appropriated amount is less than the authorized amount for Pell grants.

**General Provisions:** The Conference Report retains Section 305 as described below.

**[Senate-reported Bill:** Title III also includes proposals that have been incorporated into previous appropriations bills, provisions requested by Department of Education, and new provisions. Notable sections include:

- Section 305, which prohibits the Department of Education from enforcing or issuing new regulations regarding recognition of accreditation agencies that alter those in place on June 1, 2007, until legislation is passed calling for such revisions.]

## **Title IV – Related Agencies**

**Corporation for National Community Service:** The Conference Report provides \$873.9 million.

**[Senate-reported Bill:** Provides \$880.9 million for the Corporation for National Community Service, which is \$52.2 million above the Administration’s request, but \$3.6 million below the FY07 enacted level.]

**Corporation for Public Broadcasting:** The Conference Report provides \$400.0 million.

**[Senate-reported Bill:** Provides \$400.0 million in advance appropriations for FY09, which is equal to the Administration’s request. The comparable funding level provided last year was \$400.0 million for FY08.]

**National Labor Relations Board (NLRB):** The Conference Report provides \$257.0 million.

**[Senate-reported Bill:** Provides \$257.0 million for the NLRB, which is \$750,000 above the Administration’s request and \$5.5 million above the FY07 enacted level.]

**Social Security Administration (SSA):** The Conference Report provides \$9.52 billion.

**[Senate-reported Bill:** Provides \$9.37 billion for the administrative expenses of the agency, and an additional \$96.0 million for the SSA’s Inspector General.]

## **Title V – General Provisions**

The Conference Report did not retain this provision.

**[Senate-reported Bill:** Of note, Section 520 is a new provision that changes the Administration’s stem-cell policy by creating a new cut-off date for federally-funded research on human embryonic stem cells.]

## **Division B - Military Construction and Veterans Affairs and Related Agencies**

### **Title I – Military Construction**

**Active Components:** The Conference Report provides \$8.94 billion.

- Provides \$3.95 billion for **Army** construction.
- Provides \$2.22 billion for **Navy and Marine Corps** construction.
- Provides \$1.16 billion for **Air Force** construction.
- Provides \$1.61 billion for **Defense-wide** construction.

**[Senate-reported Bill:** Provides \$8.90 billion (excluding rescissions and emergency appropriations) for Active Component military construction, which is \$48.8 million above the Administration's request and \$2.07 billion above the FY07 enacted level.

- Provides \$3.93 billion for **Army** construction, which is \$111.0 million below the Administration's request, but \$702.6 million above the FY07 enacted level.
- Provides \$2.17 billion for **Navy and Marine Corps** construction, which is \$64.0 million above the Administration's request and \$1.04 billion above the FY07 enacted level.
- Provides \$1.05 billion for **Air Force** construction, which is \$136.4 million above the Administration's request, but \$34.5 million below the FY07 enacted level.
- Provides \$1.76 billion for **Defense-wide** construction, which is \$40.6 million below the Administration's request, but \$631.8 million above the FY07 enacted level.]

**Reserve Components:** The Conference Report provides \$1.00 billion.

- Provides \$536.7 million for **Army National Guard** construction.
- Provides \$287.5 million for **Air National Guard** construction.
- Provides \$148.1 million for **Army Reserve** construction.
- Provides \$64.4 million for **Navy Reserve** construction.
- Provides \$28.4 million for **Air Force Reserve** construction.

**[Senate-reported Bill:** Provides \$929.9 million for Reserve Component military construction, which is \$234.7 million above the Administration's request and \$79.0 million above the FY07 enacted level.

- Provides \$478.8 million for **Army National Guard** construction, which is \$74.5 million above the Administration's request and \$5.8 million above the FY07 enacted level.
- Provides \$229.0 million for **Air National Guard** construction, which is \$143.5 million above the Administration's request and \$103.0 million above the FY07 enacted level.
- Provides \$138.4 million for **Army Reserve** construction, which is \$18.7 million above the Administration's request, but \$27.6 million below the FY07 enacted level.
- Provides \$59.2 million for **Naval Reserve** construction, which is equal to the Administration's request and \$16.2 million above the FY07 enacted level.
- Provides \$27.6 million for the **Air Force Reserve** construction, which is \$1.0 million above the Administration's request, but \$17.4 million below the FY07 enacted level.]

**North Atlantic Treaty Organization:** The Conference Report provides \$201.4 million.

**[Senate-reported Bill:** Provides \$201.4 million for the North Atlantic Treaty Organization (NATO) Security Investment Program, which is equal to the Administration's request, but \$3.4 million below the FY07 enacted level. Report language continues a prohibition of funds being used on both the enlargement of NATO and the Partnership for Peace program unless Congress is notified 21 days in advance.]

**Family Housing:** The Conference Report provides \$2.89 billion.

- Provides \$424.4 million for **Army** family housing construction.
- Provides \$731.9 million for **Army** family housing operation and maintenance.
- Provides \$293.1 million for **Navy** family housing construction.
- Provides \$371.4 million for **Navy** family housing operation and maintenance.
- Provides \$327.7 million for **Air Force** family housing construction.
- Provides \$688.3 million for **Air Force** family housing operation and maintenance.
- Provides \$48.8 million for **Defense-wide** family housing operation and maintenance.
- Provides \$500,000 for the Family Housing Improvement Fund.

**[Senate-reported Bill:** Provides \$2.92 billion for family housing construction, operations and maintenance, and the Department's family housing improvement fund, which is \$10.0 million below the Administration's request and \$1.10 billion below the FY07 enacted level.

- Provides \$419.4 million for **Army** family housing construction, which is equal to the Administration's request, but \$159.6 million below the FY07 enacted level.
- Provides nearly \$742.9 million for **Army** family housing operation and maintenance, which is equal to the Administration's request and \$71.9 million above the FY07 enacted level.
- Provides \$288.3 million for **Navy** family housing construction, which is \$10.0 million below the Administration's request and \$16.7 million below the FY07 level.  
Provides \$371.4 million for **Navy** family housing operation and maintenance, which is equal the Administration's request, but \$133.6 million below the FY07 enacted level.
- Provides \$362.7 million for **Air Force** family housing construction, which is equal to the Administration's request, but \$787.3 million below the FY07 enacted level.  
Provides \$688.3 million for **Air Force** family housing operation and maintenance, which is equal to the Administration's request, but \$61.7 million below the FY07 enacted level.
- Does not provide funds for **Defense-wide** family housing construction, which is equal to the Administration's request, but \$9.0 million below the FY07 enacted level.
- Provides \$48.8 million for **Defense-wide** family housing operation and maintenance, which is equal to the Administration's request, but \$152,000 below the FY07 enacted level.
- Provides \$500,000 for the Family Housing Improvement Fund, which is equal to the Administration's request and \$2.0 million below the FY07 enacted level.]

**Chemical Demilitarization Construction Program:** The Conference Report provides \$104.2 million.

**[Senate-reported Bill:** Provides \$104.2 million for chemical demilitarization construction, which is \$18.0 million above the Administration's request, but \$26.8 million below the FY07 enacted level.]

**Base Realignment and Closure Account (BRAC):** The Conference Report provides \$295.7 million for the 1990 Part IV BRAC. The Conference Report provides \$8.04 for the 2005 BRAC.

**[Senate-reported Bill:** For 1990 Part IV BRAC, provides \$320.7 million, which is \$100.0 million above the Administration's request and \$68.4 million above the FY07 enacted level. For 2005 BRAC, provides \$8.17 billion, which is equal to the Administration's request and \$5.68 billion above the FY07 enacted level.]

## **Title II – Department of Veterans Affairs**

**Compensation and Pensions:** The Conference Report provides \$41.24 billion.

**[Senate-reported Bill:** Provides \$41.24 billion for compensation and pensions, which is equal to the Administration's request and \$3.23 billion above the FY07 enacted level. Compensation is payable to living veterans who have suffered impairment of earning power from service-connected disabilities. Pensions are an income security benefit payable to needy wartime veterans who are precluded from gainful employment due to non-service-connected disabilities which render them permanently and totally disabled.]

**Readjustment Benefits:** The Conference Report provides \$3.30 billion.

**[Senate-reported Bill:** Provides \$3.30 billion for Readjustment Benefits, which fully funds the Administration's request, but is \$38.3 million above the FY07 enacted level. The readjustment benefits appropriation finances the education and training of veterans and servicepersons whose initial entry on active duty took place on or after July 1, 1985.]

**Veterans Insurance and Indemnities:** The Conference Report provides \$41.3 million.

**[Senate-reported Bill:** Provides \$41.3 million for Veterans Insurance and Indemnities, which fully funds the Administration's request, but is \$8.6 million below the FY07 enacted level. The veterans insurance and indemnities appropriation consists of the former appropriations for military and naval insurance, applicable to World War I veterans; National Service Life Insurance, applicable to certain World War II veterans; servicemen's indemnities, applicable to Korean conflict veterans; and veterans mortgage life insurance to individuals who have received a grant for specially adapted housing.]

**Veterans Housing Benefit Program Fund Program Account:** The Conference Report provides \$154.6 million.

**[Senate-reported Bill:** Provides \$154.6 million for the Veterans Housing Benefit Program Fund Program Account, which is equal to the Administration's request and \$278,000 above the FY07 enacted level. With the exception of the Native American Veteran Housing Loan Program and the Guaranteed Transitional Housing Loans for Homeless Veterans Program, this appropriation

provides for all costs for the VA's direct and guaranteed housing loans, as well as the administrative expenses to carry out these programs, which may be transferred to and merged with the general operating expenses account.]

**Medical Services:** The Conference Report provides \$29.10 billion.

**[Senate-reported Bill:** Provides \$28.98 billion for Medical Services, which is \$1.81 billion above the Administration's request and \$3.46 billion above the FY07 enacted level. This account provides for medical services of eligible veterans and beneficiaries in VA medical centers, outpatient clinic facilities, contract hospitals, state homes, and outpatient programs on a fee basis.]

**Medical Administration:** The Conference Report provides \$3.52 billion.

**[Senate-reported Bill:** Provides \$3.64 billion for Medical Administration, which is \$200.0 million above Administration's request and \$464.0 million above the FY07 enacted level. This account provides for the expenses of management, security, and administration of the VA health care system.]

**Medical Facilities:** The Conference Report provides \$4.10 billion.

**[Senate-reported Bill:** Provides nearly \$4.09 billion for Medical Facilities, which is \$500.0 million above the Administration's request and \$522.5 million above the FY07 enacted level. This account provides funds for the operation and maintenance of the VA healthcare system's capital infrastructure.]

**Medical and Prosthetic Research:** The Conference Report provides \$480.0 million.

**[Senate-reported Bill:** Provides \$500.0 million for Medical and Prosthetic Research, which is \$89.0 million above the Administration's request and \$86.0 million above the FY07 enacted level. This account provides funds for medical, rehabilitative, and health services research. Medical research supports basic and clinical studies that advance knowledge leading to improvements in the prevention, diagnosis, and treatment of diseases and disabilities.]

**National Cemetery Administration:** The Conference Report provides \$195.0 million.

**[Senate-reported Bill:** Provides \$217.7 million for the National Cemetery Administration, which is \$50.9 million above the Administration's request and \$57.0 million above the FY07 enacted level. The National Cemetery Administration was established in accordance with the National Cemeteries Act of 1973. It has a fourfold mission: to provide for the interment in any national cemetery of the remains of eligible deceased servicepersons and discharged veterans, together with their spouses and certain dependents, and to permanently maintain their graves; to mark graves of eligible persons in national and private cemeteries; to administer the grant program for aid to states in establishing, expanding, or improving state veterans' cemeteries; and to administer the Presidential Memorial Certificate Program.]

**General Operating Expenses:** The Conference Report provides \$1.61 billion.

**[Senate-reported Bill:** Provides \$1.61 billion for General Operating Expenses, which is \$140.2 million above the Administration’s request and \$130.6 million above the FY07 enacted level.]

**Information Technology:** The Conference Report provides \$1.97 billion.

**[Senate-reported Bill:** Provides \$1.90 billion for Information Technology, which is \$38.8 million above the Administration’s request and \$684.0 million above the FY07 enacted level. This account encompasses the entire non-pay information technology portfolio for the Department of Veterans Affairs.]

### **Title III – Related Agencies**

**American Battle Monuments Commission:** The Conference Report provides \$44.6 million.

**[Senate-reported Bill:** Provides \$45.6 million for the American Battle Monuments Commission, which is \$3.5 million above the Administration’s request and \$8.6 million above the FY07 enacted level.]

**U.S. Court of Appeals for Veterans Claims:** The Conference Report provides \$22.7 million.

**[Senate-reported Bill:** Provides \$24.2 million for the U.S. Court of Appeals for Veterans Claims, which is \$3.0 million above the Administration’s request and \$4.2 million above the FY07 enacted level.]

**Armed Forces Retirement Home:** The Conference Report provides \$55.7 million.

**[Senate-reported Bill:** Provides \$61.6 million for the Armed Forces Retirement Home, which is equal to the Administration’s request, and \$4.4 million above the FY07 enacted level.]

---

## **Administration Position**

---

On November 6, the Administration released a Statement of Administration Policy (SAP) on the Conference report to accompany H.R. 3043. The SAP included a veto threat, stating, “The Administration strongly opposes H.R. 3043 because it includes an irresponsible and excessive level of spending and contains other objectionable provisions. Furthermore, in a cynical effort to gain enactment of its unwarranted domestic funding levels, this flawed bill has been combined with a bill that provides needed funding for veterans. Funding for the nation’s veterans should not be held hostage while Congress attempts to add billions in unrelated spending that has nothing to do with the needs of the men and women in uniform who have bravely protected our country. If H.R. 3043 were presented to the President in its current form, he would veto the bill.”